

**Stafford County Utilities Commission**  
**Meeting Minutes**  
August 14, 2012

**I. Call to order**

Chairman Bill Tignor called to order the regular meeting of the Utilities Commission at the Utilities Administration Conference Room on August 14, 2012. Mr. Tignor welcomed new member Bob Hunt and had a moment of silence in memory of commission member Lloyd Chittum.

**II. Election of Vice Chairman & Secretary**

Nominations were opened for the office of Vice-Chairman. Mr. Tignor nominated David Bohmke. There being no further nominations, the commission voted on the office. Mr. Bohmke was elected by a 4-0 vote.

Nominations were opened for the office of Recording Secretary. Mr. Tignor nominated Joyce Arndt. There being no further nominations, the commission voted on the office. Ms. Arndt was elected by a 4-0 vote.

**III. Roll call**

Cheryl Giles conducted a roll call. The following persons were present: Joyce Arndt, David Bohmke, Bob Hunt, and Bill Tignor. Harry Critzer, Dale Allen, Janet Spencer, Deidre Jett and Cheryl Giles were present for the Utilities Department.

**IV. Public Presentations**

There were no public presentations.

**V. Approval of minutes**

The April 10, 2012 minutes were approved as written.

**VI. Commission Members' Comments**

Mr. Bohmke reported that the BOS/Utilities Commission Joint Committee met and discussed the rate study.

Ms. Arndt commented about a commentary in the Free-Lance Star newspaper with regards to members serving on the BZA and the Planning Commission simultaneously.

**VII. Director's Report**

Mr. Critzer reported the following items:

- ❖ Staff is still working with Medicorp about the tank site in the Courthouse area.
- ❖ On September 7<sup>th</sup>, the Employee Service Awards ceremony will be held at the Rowser building. Utilities has 42 employees that will be recognized for service from 3 – 30 years.
- ❖ The county is still under voluntary water restrictions. Smith Lake is down 5 feet and Abel Lake is down 3 feet. Water demand for the last seven days average 12 MGD.
- ❖ At the beginning of August, the customer service staff began to receive phone calls from customers about having past due amounts on their bills. The lock-box company and the Treasurer's office had no record of payments being received. Treasurer, Laura Rudy followed up with the Stafford, Richmond, and the Maryland post office about the mailed payments.

Currently, the checks have not been located. The delinquent charges that were applied to the customers' account will be removed.

- ❖ Staff would like the commission's recommendation about appointing an alternate member when a member is unable to attend the meeting. Mr. Bohmke expressed concern that an alternate may not be able to get up to speed on matters discussed at meetings, unless the alternate attended every meeting. Mr. Tignor suggested the commission have more time to consider the matter.

#### **VIII. New Business**

##### **Contract Renewals:**

Mr. Critzer provided background information about each contract and reported that the following contracts were up for renewal:

- Utilities Billing Services
- Purchase of Water Meters and Accessories
- Purchase of Liquid Aluminum Sulfate
- Purchase of Liquid Ferric Sulfate
- Purchase of Water Treatment Chemicals
- Water and Sewer Maintenance and Construction Services
- Biosolids Management Services

Mr. Bohmke made a motion to recommend approval of R12-233, which would authorize the County Administrator to extend the existing contract. The motion was seconded by Ms. Arndt and passed with a 4-0 vote.

Mr. Bohmke made a motion to recommend approval of R12-258, which would authorize a contract for the purchase of water meters, to include the new iPERL meters and accessories. The motion was seconded by Mr. Hunt and passed with a 4-0 vote.

Mr. Hunt made a motion to recommend approval of R12-259, which would authorize a contract renewal for the purchase of liquid aluminum sulfate. The motion was seconded by Mr. Tignor and passed with a 4-0 vote.

Mr. Tignor made a motion to recommend approval of R12-260, which would authorize a contract renewal for the purchase of liquid ferric sulfate. The motion was seconded by Mr. Bohmke and passed with a 4-0 vote.

Mr. Hunt made a motion to recommend approval of R12-261, which would authorize a contract renewal for the purchase of water treatment chemicals. The motion was seconded by Mr. Bohmke and passed with a 4-0 vote.

Mr. Tignor made a motion to recommend approval of R12-265, which would authorize the County Administrator to execute contracts for water and sewer maintenance and construction services. The motion was seconded by Mr. Hunt and passed with a 4-0 vote.

Ms. Arndt made a motion to recommend approval of R12-266, which would authorize a contract amendment for biosolids transporting services. The motion was seconded by Mr. Tignor and passed with a 4-0 vote.

**Change Order for Rocky Pen Run Reservoir Dam Construction**

Mr. Allen reported the change order consists of two elements of work, which are the excavation of Unsuitable Material and the excavation of additional rock. For the first element, the original bid item had an estimated quantity of 1,000 cubic yards of unsuitable material at a unit price of \$20 per cubic yard. The excavated quantity was 31,184 cubic yards and was renegotiated at \$10 per cubic yard for a total cost of \$311,840. The second item requires excavation of additional rock for the Outlet Works Encasement Pipe. A different unit price had to be negotiated because the unit price was not in the original contract. The excavated quantity was 1,355 cubic yards and was renegotiated at \$234 per cubic yard for a total cost of \$317,070. The total for the two items is \$628,910.

Mr. Tignor asked where on the Rocky Pen Run (RPR) Expenditures Report the amount would be listed. Mr. Allen responded the amount would be listed under the Dam line item.

Mr. Bohmke asked if the additional amount would increase the current line item amount. Mr. Allen responded the amount does have the potential to increase the line item amount, but some of the quantities could be under run and balance the amount out later. Staff would not know the specifics until the construction had been completed.

Mr. Hunt made a motion to recommend approval of R12-195, which would authorize the County Administrator to sign a contract change order in the amount of \$628,910. The motion was seconded by Ms. Arndt and passed with a 4-0 vote.

**Public Hearing for Rocky Pen Run Dam Conservation Easement**

Mr. Allen reported that a large number of mitigation projects were approved to compensate for the construction of wetlands and streams in the area that would be inundated by the reservoir. Based on the number of mitigation projects, it would be very time-consuming and expensive to get conservation easements on the private property parcels originally included with the U.S. Army Corps of Engineers.

Staff would like to substitute a number of projects along Claiborne Run with a conservation easement on county-owned property below the dam with a Declaration of Restrictions. The Declaration of Restrictions would limit the activities that could be done on the easements and would include limited river access.

Mr. Tignor made a motion to recommend approval of R12-200, which would authorize the County Administrator to advertise a public hearing to consider executing a Declaration of Restrictions on Tax Map Parcels 43-26B, 43-27A, 43-27, 43-28, 43-29, 43-81A, 51-1, and 51-2 as part of the Environmental Mitigation Plan in connection with the Rocky Pen Run Dam and Reservoir project. The motion was seconded by Mr. Bohmke and passed with a 4-0 vote.

**Public Hearing for Granting an Easement to Dominion Virginia Power**

Mr. Allen reported the Austin Run Pump Station Replacement project requires the pump station to be relocated and electric service provided. Dominion Virginia Power has determined that an alignment and an easement are needed to put electrical lines in to service the pump station.

Mr. Hunt made a motion to recommend approval of R12-200, which would authorize the County Administrator to advertise a public hearing to consider an easement to be granted to Dominion Virginia Power in connection with the Austin Run Pump Station Replacement Project. The motion was seconded by Mr. Tignor and passed with a 4-0 vote.

**Agreement with VDOT to Relocate Water and Sewer on Warrenton Road**

Mr. Allen reported that VDOT has a project to widen Warrenton Road from the Target® to Mary Washington College. As part of this project, VDOT would relocate the County's water and sewer utilities that are in conflict with the proposed construction. In order for the water and sewer relocation to be included in this project, VDOT requires the County enter into an agreement for VDOT to perform the work. There will be no expense to the county.

Mr. Tignor asked if there would be staff on site to inspect the water and sewer work. Mr. Allen responded there would be Utilities staff on site to inspect the water and sewer work.

Mr. Tignor made a motion to recommend approval of R12-255, which would authorize the County Administrator to execute an agreement with VDOT governing relocation of water and sewer utilities on Warrenton Road. The motion was seconded by Mr. Hunt and passed with a 4-0 vote.

**Contract Amendment for Membranes for the Rocky Pen Run Water Treatment Facility**

Mr. Allen reported that in 2006, the Membrane Filtration System was advertised for the RPR Water Treatment Facility and projected to be completed in 2010. The contract was for \$3.9M to provide 10 MGD of membrane treatment capacity. Due to issues with the Dam foundation, significant time elapsed. The vendor is requesting an increase to the contract. Staff renegotiated the contract and used the Producer Price Index to calculate the increase. The increase was calculated for a total cost of \$329,746.

Mr. Tignor inquired about the line item for which the amount would be listed under on the RPR Expenditures Report. Ms. Jett explained that there are two membrane projects. The first 5 MGD of membranes is listed on the RPR Expenditures Report and the purchase of the additional 5 MGD membranes is listed as a separate project. It was listed separately to enable a capacity increase at the RPR water treatment facility and to moth ball Abel Lake WTF. The cost for the increase will be split between the membranes that are part of the RPR WTF project and the additional membranes that are listed as a separate CIP project.

Mr. Bohmke asked what the original contract was slated for. Mr. Critzer responded the contract guaranteed the original price for the first 5 MGD of membranes, but the additional 5 MGD of membranes was not included in the guaranteed price.

Mr. Bohmke asked if it would be beneficial to rebid the contract. Mr. Allen responded that the water treatment facility was designed around the purchased membrane system.

Ms. Arndt made a motion to recommend approval of R12- 271, which would authorize the County Administrator to execute a change order for membranes for the Rocky Pen Run Water Treatment Facility. Mr. Hunt seconded the motion and it passed with a 3-1 vote. Mr. Bohmke was the opposing vote.

**IX. Old Business**

**Financial Overview of the Rocky Pen Run Reservoir Project**

Ms Jett reported that the amounts on the RPRR Expenditures Report are projected costs, but sometimes issues arise that are unforeseeable. The Mitigation Program estimated costs may vary and come in at higher costs, as well as the dam and water treatment facility, which are under construction.

Mr. Tignor asked how actual costs are handled when they are higher than projected costs. Mr. Critzer responded that other CIP projects are delayed or completed at a later date.

Ms. Jett reported that \$61M was borrowed and \$24M of that amount has been disbursed. We have \$37M remaining in bond proceeds. Staff will request another \$2M to \$3M once final invoices have been received. The CIP Program, rate increases, and availability increases are very important in order to maintain the fund balance.

There was a \$3.8M spending increase since the RPR Expenditures Report was last updated.

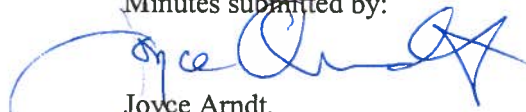
**Year End Totals**

- Water & sewer revenue was about 4% over FY11 revenue, but 5% below what was budgeted for Operations.
- Availabilities were budgeted at \$1.2M, but will come in over \$2M.
- Pro rata was budgeted at \$4.8M, but came in at \$5.1M.
- Expenditures:
  - Administration – 92% of budgeted amount
  - Smith Lake WTF – 82% of budgeted amount
  - Abel Lake WTF – 92% of budgeted amount
  - Field Operations – 97% of budgeted amount
  - Aquia WWTF – 98% of budgeted amount
  - Little Falls Run WWTF – 90% of budgeted amount
  - Facilities Maintenance – 18% of budgeted amount
- \$14.8M was spent on RPRR projects in FY12 and \$6M on other CIP projects.

**X. Adjournment**

Mr. Tignor adjourned the meeting at 8:40pm.

Minutes submitted by:



Joyce Arndt,  
Recording Secretary